

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 7709**

**BILL NUMBER:** HB 1452

**DATE PREPARED:** Feb 9, 1999

**BILL AMENDED:** Feb 8, 1999

**SUBJECT:** Health Facility Patient and Employee Immunization.

**FISCAL ANALYST:** Alan Gossard

**PHONE NUMBER:** 233-3546

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
X FEDERAL

**IMPACT:** State

**Summary of Legislation:** (Amended) This bill requires a health facility to immunize all patients against the influenza virus and pneumococcal disease. The bill establishes a procedure for obtaining consent. It also provides certain exceptions.

**Effective Date:** July 1, 1999.

**Explanation of State Expenditures:** (Revised) This bill requires a health facility to immunize all patients against the influenza virus and pneumococcal disease subject to obtaining an order from the individual's physician to administer the immunizations. The state share of Medicaid costs for immunizations for nursing facility residents under age 65, and thus not covered by Medicare, is estimated to be about \$18,200 for FY2000 and \$6,100 for FY2001 (Total costs and federal cost share are presented in the table, below.). The lower second year costs reflect the Centers for Disease Control (CDC) recommendation that immunizations against pneumococcal disease not be administered at closer than five-year intervals for individuals under the age of 65.

***Background:*** These estimates are based on the following assumptions: (a) influenza immunizations occur annually and pneumococcal immunizations occur no more than once every five years per recipient; (b) cost of influenza vaccines \$6.40 to \$7.15 per immunization; cost of pneumococcal immunizations is about \$14.31 per recipient; (c) 3,118 nursing home residents under the age of 65 (and thus not covered by Medicare); (d) 30% of residents under age 65 are already vaccinated; (e) total nursing facility resident days of 15,447,640 and total Medicaid resident days of 10,593,829; (f) state cost share for Medicaid program expenditures of 38.89%.

According to the recommendations of the Advisory Committee on Immunization Practices (ACIP) persons who should be vaccinated for pneumococcal disease include, in addition to persons greater than 65 years of age, the following persons between 2 and 65 years of age: (a) those who, because they have certain chronic

illnesses, are at increased risk for pneumococcal disease, its complications, or severe disease if they become infected including those who have chronic cardiovascular disease, chronic pulmonary disease, chronic obstructive pulmonary disease, diabetes mellitus, alcoholism, chronic liver disease, or cerebrospinal fluid leaks; (b) those with functional or anatomic asplenia (e.g., sickle cell disease, splenectomy); (c) those living in special environments or social settings where an increased risk exists for invasive pneumococcal disease or its complications (e.g., Alaska Natives and certain American Indian populations); (d) immunocompromised persons including those infected with HIV, persons with leukemia, lymphoma, Hodgkin's disease, multiple myeloma, generalized malignancy, chronic renal failure, nephrotic syndrome; organ or bone marrow transplantation, and persons receiving immunosuppressive chemotherapy (Source: ACIP referenced below). The estimated total costs with state and federal cost shares are presented in the following table.

**Estimated Costs for Immunization Against Influenza and Pneumococcal Disease.**

<b>Immunization for:</b>	<b>Residents Under Age 65</b>
<b>Influenza - Cost</b>	\$15,600
<b>(State \$ / Fed'l \$)</b>	(\$6,100 / \$9,500)
<b>Pneumococcal - Cost</b>	\$31,100
<b>(State \$ / Fed'l \$)</b>	(\$12,100 / \$19,000)
<b>Total Costs - FY2000</b>	\$46,700
<b>(State \$ / Fed'l \$)</b>	(\$18,200 / \$28,500)
<b>Total Costs - FY2001</b>	\$15,600
<b>(State \$ / Fed'l \$)</b>	(\$6,100 / \$9,500)

These estimates are based on the number of residents at a point-in-time. The estimates are understated to the extent that there are likely to be additional non-immunized new residents occurring between December 1 and April 1, as provided in the bill, and before the next year's flu season. The impact of resident turnover is not determined at this time.

**Explanation of State Revenues:** See Explanation of State Expenditures, above, regarding federal revenues from federal cost sharing in the Medicaid program.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Office of Medicaid Policy and Planning

**Local Agencies Affected:**

**Information Sources:** Vince McGowan, Indiana Health Care Association, 636-6406; Dave Ellsworth, Indiana Immunization Program Director; Karen Kinder, Office of Medicaid Policy and Planning, 232-5659.

Immunization of Health-Care Workers: Recommendations of the Advisory Committee on Immunization Practices (ACIP) and the Hospital Infection Control Practices Advisory Committee (HICPAC), U.S. Centers for Disease Control, MMRW 46(RR-18), December 26, 1997.

Prevention of Pneumococcal Disease: Recommendations of the Advisory Committee on Immunization Practices (ACIP), MMRW 46(RR-08), April 4, 1997.